Ship building and repairing industry

2342. SHRITARIQ ANWAR: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether it is a fact that the Government have proposed new initiatives to support the floundering domestic ship building and repair industry;

(b) if so, the details thereof;

(c) whether the new initiatives would boost the morale of ship owners; and

(d) if so, the details thereof?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) and (b) There is already a ship building subsidy scheme providing 30% of subsidy of the price of vessels for construction by Indian Shipyards. In case of domestic orders, vessels have to be ocean going merchant vessels of 80 metre length and above and order have to be obtained on Global Tender basis and for export orders, vessels can be of any type or size and can be either on Global Tender basis or on negotiated basis. The scheme was extended by Government to all shipyards including private sector shipyards on 25th October, 2002. Prior to that the scheme was applicable only to the Central Public Sector shipyards.

(c) and (d) The ship building subsidy scheme will make the Indian ship building industry more competitive, which is likely to boost the morale of the ship owners as the ship owners would be in a position to get the ships built at competitive prices at Indian yards and the dependence on foreign yards is likely to be reduced.

Objections to the Sethusamudram Project

2343. DR. K. MALAISAMY: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether there are strong protests and objections to the present proposal-Sethusamudram Project on the ground of its non use for the benefit of the project area besides being detrimental to the interest of the public particularly fishermen from in and around Rameswaram;

(b) whether it is apprehended that the safety and security of Tamil Nadu would be affected by the free flow of LTTE by this project; and

(c) the safeguards and devices envisaged to avert such threats?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRl T.R. BAALU): (a) There is no general protest against the project.

(b) No, Sir.

(c) Does not arise.

Financing of Sethusamudram Project

2344. DR. K. MALAISAMY: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) the sources of finance for Sethusamudram Project;

(b) by when the project would be taken up and completed; and

(c) what are the major benefits of this scheme?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRl T.R. BAALU): (a) The sources of finance for the Sethusamudram Ship Channel Project are yet to be approved by the Com petent Authority.

(b) The project is likely to be completed within 3 years after obtaining all necessary clearances and approvals.

(c) The major benefits expected from the Project are as under:-

(i) It will provide a continuous navigable route around the Indian peninsula running within her own territorial waters.

(ii) Ship sailing from East to West Coast of India will save sailing time of 21-36 hours and distance of 254-424 nautical miles.

(iii) Coastal movement of domestic cargo will improve.

(iv) This project will lead to considerable savings **and** earnings of foreign exchange.

(v) This channel will become an invaluable asset from national defence and security point of view enabling easier and quicker access between the coasts.